sam State Elecricity Board to purchase gas-turbines from BHEL for the Lakwa Extension Project;

(b) what are the reasons for their insistence after evaluation of global tenders and finalisation of the supplier;

(c) whether BHEL has expertise to manufacture or experience of manufacturing gas-turbines so far; and

(d) whether it is also a fact that the Assam State Electricity Board will have to spend rupees 12 crore more for the BHEL sets than the price of rupees 38 crore quoted by Mitsubishi ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) to (c) The Assam State Electricity Board (ASEB) had proposed import of gas turbines for installation at Lakwa. Since the equipment could be manufactured indigenously, ASEB were advised to place orders on BHEL.

(d) The price offered by BHEL for three turbines of a total capacity of 60 MW is less than the price offered by a foreign supplier for four turbines of smaller capacity.

Steps to meet shortage of oil production in the country

673. SHRI HARVENDRA SINGH HANSPAL : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it is a fact that due to the current rate of oil production and growing demand, there are possibilities of an extremely difficult situation obtaining by the end of the Seventh Plan period;

(b) what steps Government have taken/propose to take to boost the oil production as also to curtail growing demand; and

(c) what is the annual demand for oil in the country ?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI RAFIQUE ALAM): (a) to (c). The production of crude oil during the terminal year of 7th plan would be 34.51 million tonnes as against the projected product consumption of 53.52 million tonnes. In order to meet the growing demand for petroleum products in the country the indigenous availability of these products is being and will continue to be augmented by suitable imports.

Besides efforts towards demand management and conservation of petroleum products, following steps have been taken to increase domestic crude production :—

(i) Intensification of exploration which may eventually lead to enhanced production.

(ii) Intensification of work over operations.

(iii) Use of enhanced oil recovery techniques; and

(iv) Induction of advanced technology.

Import of oil and petroleum products

674. SHRI HARVENDRA SINGH HANSPAL : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it is a fact that Government will have to spend nearly Rs. 4300 crores on imports of oil and petroleum products during the next financial year;

(b) if so, the reasons for such high imports; and

(c) whether Government propose to adopt latest technologies to boost the indigenous production ?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI RAFIQUE ALAM) : (a) and (b). The import Plan for 1988-89 is yet to be finalised.

(c) The steps taken by the Government are to increase production of crude oil in the country through intensification of exploration, use of enhanced recovery techniques and introduction of new technologies.